

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF)	
NW ENERGY COALITION AND)	CASE NO. PAC-E-03-4
RENEWABLE NORTHWEST PROJECT)	
TO ESTABLISH NET METERING)	NOTICE OF APPLICATION
SCHEDULES FOR PACIFICORP)	
)	NOTICE OF MODIFIED
)	PROCEDURE
)	
)	NOTICE OF COMMENT/PROTEST
)	DEADLINE

YOU ARE HEREBY NOTIFIED that on February 27, 2003, NW Energy Coalition and Renewable Northwest Project petitioned the Idaho Public Utilities Commission (Commission) to initiate proceedings for the establishment of new net metering schedules for PacifiCorp dba Utah Power & Light Company (PacifiCorp; Company) addressing 1) procedures, requirements and standards for the interconnection and operation of small renewable electric generation systems by electric customers of PacifiCorp; and 2) related provisions for billing such customers for the net of their electric consumption less their generation.

Petitioner NW Energy Coalition is a non-profit organization which promotes energy conservation, renewable energy resources, and consumer and low-income protection. In Idaho, the Coalition has 12 member organizations including Idaho Rural Council, Idaho Rivers United, and the Idaho Community Action Association.

Petitioner Renewable Northwest Project is a non-profit organization which promotes development of renewable energy sources, including wind, solar, and geothermal technologies in Idaho, Oregon, Washington and Montana.

> As represented, the Petition seeks to correct an imbalance of opportunity between customers of Idaho's three major investor-owned utilities and their ability to install small electric generation systems on their property and generate all or a portion of their electric needs, while remaining interconnected with the electric grid. Petitioners note that the Commission has recently approved net metering schedules for Idaho Power Company (under Schedule 84) and Avista (under Schedule 62). Reference (Idaho Power) Order Nos. 28951 and 29094; (Avista) Order No. 28035. PacifiCorp has no approved schedule to regulate net metering. While

NOTICE OF APPLICATION
NOTICE OF MODIFIED PROCEDURE
NOTICE OF COMMENT/PROTEST DEADLINE 1

customers of PacifiCorp presumably could negotiate with the Company on a case-by-case basis to install small renewable generation systems and receive payment for the generation under PURPA, these customers, Petitioners contend, are at a disadvantage to similarly situated customers of Idaho Power and Avista. Specifically, Petitioners contend that customers of PacifiCorp have no assurance of what type of systems they could install, what interconnection requirements will be required of them, and what rate they might be credited for electricity they generate.

Petitioners believe that the new Schedule 84 for Idaho Power Company represents a good model for PacifiCorp. In its Order approving Idaho Power's tariff, the Commission stated "all customers should be provided the opportunity to participate in net metering, including three-phase systems and demand metered customers." Order No. 28951 at 11; see also Order No. 29094 (approving 100 kW nameplate capacity limitation for large commercial and irrigation customers of Idaho Power).

Petitioners assert that the customer profile of PacifiCorp's service territory (with its high irrigation loads) demands that a higher capacity limit be provided to large commercial and irrigation customers as with Idaho Power's Schedule 84. However, as Petitioners discussed in commenting on Idaho Power's proposed amendment to Schedule 84 (Case No. IPC-E-02-04), the Petitioners support a billing methodology that credits excess monthly generation at the customer's retail rate on a per kilowatt hour basis, and allows for a continuous carryover of such credits.

PacifiCorp Answer and Proposed Net Metering Schedule

On March 20, 2003, PacifiCorp filed its Answer to the Petition and a Request for Approval of Proposed Electric Service Schedule No. 135, Net Metering Service. PacifiCorp states that the Company was in the process of developing such a schedule in response to the perceived desire for net metering in Idaho.

PacifiCorp agrees that Idaho Power's Schedule 84 represents a good model for PacifiCorp and contends that its proposed Electric Service Schedule No. 135 is patterned after Idaho Power Company's Schedule 84.

Consistent with Idaho Power's Schedule 84, PacifiCorp's proposed Schedule No. 135 provides a capacity limit of 100 kW for large commercial and irrigation customers, and 25 kW

for customers taking service on electric service schedules applicable to residential and small commercial customers (Schedules 1, 36, 23 and 23A).

While PacifiCorp proposes to credit residential and small commercial customers for excess generation at the customer's retail rate, PacifiCorp opposes such an approach for larger commercial irrigation customers and proposes that the larger customers be credited an amount equal to 85% of the Dow Jones Mid-C Index Price for non-firm energy. Such an approach, the Company contends, is intended to avoid the subsidy that would exist by paying full retail rates.

The proposed Schedule No. 135 provides that the costs associated with interconnection of the customer's generating facility with the Company system, including the cost of any additional metering necessary for service under the schedule, will be paid by the customer. This requirement, the Company contends, will help avoid other customers subsidizing net metering customers.

Similar to Idaho Power's Schedule 84, PacifiCorp proposes that Schedule 135 be available on a first come, first service basis, until the total rated generated capacity of net metering systems connected under the Schedule equal 714 kW, which is $1/10^{\text{th}}$ of 1% of the Company's Idaho retail peak demand in 2002. Further, in order to make these schedules available to a wider range of customers, the Company proposes that no single customer may connect more than 20% of the total nameplate capacity connected under the schedule.

PacifiCorp proposes that credits for excess generation be provided each month, rather than allowing for carryover or "banking." Providing a credit each month, the Company contends, appropriately recognizes the different values of energy during the different months of the year, therefore mitigating subsidization of large commercial and irrigation net-metering customers, which credits are based on market prices.

PacifiCorp requests that the matter be processed under Modified Procedure pursuant to Commission Rule 201, *et seq.*

YOU ARE FURTHER NOTIFIED that the Commission has preliminarily determined that the public interest may not require a technical hearing to consider the issues presented, and the issues raised by the Petition and the Company's response and proposed net metering tariff may be proposed under Modified Procedure, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-.204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that **the deadline for filing written comments or protests** with respect to the issues raised in this case, PacifiCorp's proposed Schedule 135 Net Metering tariff and the Commission's use of Modified Procedure in Case No. PAC-E-03-4 is **Friday, May 2, 2003**. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission will consider the issue on its merits and enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. PAC-E-03-4 should be mailed to the Commission, the Petitioner and the Company at the addresses reflected below.

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IDAHO PUBLIC UTILITIES COMMISSION
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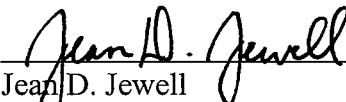
All comments should contain the case caption and case number shown on the first page of this document.

NOTICE OF APPLICATION
NOTICE OF MODIFIED PROCEDURE
NOTICE OF COMMENT/PROTEST DEADLINE 4

Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.state.id.us. Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Petitioner and Company at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Petition, the Company's reply and the Company's proposed Schedule No. 135 Net Metering Service tariff can be reviewed at the Idaho Public Utilities Commission, 472 West Washington Street, Boise, Idaho and at the Idaho offices of PacifiCorp during regular business hours. In addition, the Petition may be viewed by accessing the Commission's website at www.puc.state.id.us under the "file room" icon and selecting the appropriate topic heading.

DATED at Boise, Idaho this 11th day of April 2003.



Jean D. Jewell
Commission Secretary

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